

CTTC Commission Meeting
Wednesday, June 28, 2006
10:30 a.m. to 3:00 p.m.

Terry MacRae called the meeting to order at 10:38 a.m. Roll was taken and the following Commissioners were present: Commissioner Anderson, Bazin, Bilby, Bridwell, Burba, Erskine, Fujiwara, Gregory, Handlery, Jamison, Klein, Lawrance, MacRae, Netting, O'Modhrain, Patel, Reinders, Wagnon, Westrope, and Zucker. Others present were: Lori Bartle, Wayne Bennett, Jeanne Berube, Sonya Bradley, Bill Bullard, Brad Burlingame, Laura Calderon, Sam Caygill, Andy Chapman, Shellie Cook, Sue Coyle, Susan Cunningham, Tracy Garrett, Kari Gleeson, Bric Haley, Chris Hart, Jean Johnstone, Sholo Kagoshima, Kerri Kapich, Bob Kazmiersk, Steve Kinder, Rick Lenat, Nancy Light, Ed Litrenta, Diane Mandeville, Anastasia Mann, John McMahon, David Mering, Jason Pacheco, Kathy Paver, Woody Peek, Christine Pierson, Leona Reed, Deborah Reinow, Mo Renfro, Lori Richards, Colin Ross, Chris Schroeder, Terry Selk, Janice Simoni, Barbara Steinberg, Dustin Teichman, Jon Trumbull, Teddy Wade, Bob Warren, Ginger Watters, and Susan Wilcox.

Commissioners absent were: Balesteri, Blasko, Cohn, Conley, Dunlap, Gribbon, Hansen, Kennedy, Koeberer, McDowell, Wright-McPeak, Meinhold, Meunier, Patel, and Running.

Motion by Commissioner O'Modhrain to approve minutes of February 2, 2006 meeting. Second by Commissioner Westrope. Motion unanimously approved.

EXECUTIVE DIRECTOR REPORT

Executive Director Beteta reported on the Governor's Trade and Tourism Mission to Mexico that will be held in August (Since moved to November). The CTTC has been asked to organize the signature event on the trip. The event will consist of holding a premiere for the IMAX film Wild California with an anticipated attendance of approximately 600 people. This trip will include approximately 75 delegates of which 15 will be representing tourism. The trip will include stops in Mexico City and Monterrey. Executive Director Beteta asks that anyone that interested in participating please let her know immediately. She reported that the Governor has signed the 2006-2007 state budget which included \$7.3 million for tourism. She reported that the rental car legislation piece was tabled, and should be brought back in August for consideration. She also reported that the CTTC will be holding a Travel Leadership Summit Dinner in Washington D.C. as part of TIA. This night will include individual state congressional dinners to be held by 36 different states.

TOUR OF CALIFORNIA

Bob Colarossi reported on the Amgen Tour of California that provided an incredible opportunity for California. He thanked the CTTC for all their support and help in getting the event organized. He reported that 16 teams, with 128 riders from 24 different countries traversed the state over the course of eight days. Video clips from the event were shown. Bob reported that this event resulted in over 1.1 billion media impressions, and that figure continues to grow. He reported that the cities for next year will be announced in July and, once again, the event will take place over an eight-day period. He reported that through this event the CTTC has received over \$1 million in free broadcast advertising and that the Tour will work cooperatively with the CTTC in the future toward greater success.

STRATEGIC PLANNING

Bob Roberts reported that the budget will be signed tomorrow with \$7.3 million allocated for tourism. He reported that this is a great accomplishment and hopes it continues to grow. He also reported that the rental car bill was not approved, but will be brought back in August. He stated that if approved, the legislation will implement the Governor's vision for a long-term funding solution for tourism. He closed by commenting that in this process many organizations have come together to move the agenda along; however, the industry realizes that it needs to work together more formally on policy issues and become a more unified voice.

MARKETING COMMITTEE UPDATE

See Marketing Advisory Committee Minutes

TRAVEL TRADE

See Marketing Advisory Committee Minutes

COMMUNICATIONS UPDATE

See Marketing Advisory Committee Minutes

WELCOME CENTER UPDATE

See Marketing Advisory Committee Minutes

BUDGET UPDATE

Commissioner Bilby reported that the Marketing Advisory Committee has reviewed the proposed budget and will be bringing a recommendation forth to the Commission for approval.

Motion by Commissioner Anderson to approve the FY 2006-07 marketing budget as provided and to allocate the \$1.5 million in rollover funds to International marketing. Funds to be distributed in the phases as designated by the International Committee. Second by Commissioner Gregory. All approved

NOMINATING COMMITTEE UPDATE

Commissioner Lawrance reported that the Nominating Committee has been formed to look at open and upcoming Commission slots for the near future. The committee is comprised of the following Commissioners: Commissioners Bazin, Cohn, Gregory, Handlery, Lawrance, MacRae and Zucker. The committee is also recommending filling the remaining open "attractions" slot with Ed Litrenta of SeaWorld.

Motion by Commissioner Lawrance to bring Ed Litrenta as a Commissioner to fill the open "attractions" spot. Second by Commissioner Bazin. All approved.

ASSESSMENT UPDATE

Terri Toohey reported that by lowering the threshold from eight-percent to one-percent California Tourism will add approximately 2,000 names to the mailing and it is estimated that this will add about \$300,000 in additional revenue.

LEGAL ISSUES

No report.

FINANCIAL REPORT

Commissioner Westrope reviewed the provided financial report. She reported that format of the financial reports was reviewed and it has been decided that, due to design of the CTTC, changing the format is not possible. She reported that the Commission will continue to budget on an annual basis. She reported that the financial reports will now include the percentage of the year that has been completed with a corresponding percentage of each budget line item used.

Motion by Commissioner Lawrance to approve the financial report as provided. Second by Commissioner Klein. All approved.

AUDIT COMMITTEE

Commissioner Westrope reported that an Audit Committee was formed approximately one year ago to hold the Commission to the highest standards. In doing so, the committee has put together a charter and charter matrix. She reported that the committee has just gone through a self-review and concluded that the Commission has substantial controls; however, the committee felt that staff should be reminded of the code of conduct annually during their performance review. She reported that the committee is recommending removing items 10 and 11 from the charter matrix.

Commissioner Westrope also reported that the audit firm Moss Adams has been selected to complete the CTTC annual audit, which should be starting in August. She anticipates having results by the October meeting.

Terry MacRae reported that the Executive Committee has approved the operating budget this morning and is reviewed with the Commission.

Motion by Commissioner MacRae to approve the operations budget as provided. Second by Commissioner Anderson. All approved.

OTHER BUSINESS

Executive Director Beteta reported that the next Commission meeting will be held on October 24-25 at the Ritz Carlton in Marina del Rey. She also reported that due to the cost of the commission binder, materials will be posted on the CTTC Web site for download and a few extra hard copies will be brought to the meeting.

PUBLIC COMMENT

None.

Motion by Commissioner Lawrance to adjourn meeting at 2:29 p.m. Second by Commissioner Klein. All approved.